GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

STARRED QUESTION NO:343
ANSWERED ON:07.08.2002
SMALL SCALE INDUSTRIES
ASHOK KUMAR PATEL;RAMPAL SINGH

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether the Government propose to strengthen the small scale industries in order to create employment and to make them self-dependent;

(b) if so, whether the Government have formulated any specific schemes in this regard; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING,DEPARTMENT OF PENSIONS AND PENSIONERS` WELFARE IN THE MINISTRY OF PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SMT. VASUNDHARA RAJE)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (c) IN RESPECT OF THE LOK SABHA STARRED QUESTION NO. 343 FOR REPLY ON 7TH AUGUST, 2002

(a) to (c): Promotion and development of Small Scale Industries(SSI) Sector has beenconscious policy of the Government. While the development of Small Scale Industries isprimarily the responsibility of the State/ U.T Governments, the CentralGovernment assists and supplements their efforts in this regard. With a view to further strengthen this sector, the Government announced a Comprehensive Policy Package on 30th August, 2000which provides for enhanced fiscal and credit support, better infrastructure and marketing facilities and incentives for technology upgradation. The Package aims to enhance its competitiveness both domestically and globally, leading to higher growth and greater employment opportunities.The Policy Packagecomprises of various schemes and policy initiatives like raising composite loans` limit from Rs. 10 lakh to Rs. 25 lakh; raising of project cost limit under National Equity Fund Scheme from Rs. 25lakh to Rs. 50 lakh; raising eligible loan limit under Credit Guarantee Scheme from Rs. 10 lakh to Rs. 25 lakh; introduction of Credit Linked Capital Subsidy Scheme for Technology Upgradation;continuation of the scheme of granting Rs. 75,000 to enterprises for obtaining ISO 9000 certification in the Tenth Plan also;enhancement of limit of excise exemption from Rs. 50 lakh to Rs. 1 crore; enhancement of investment limit for Small Scale Service and Business (Industry Related) Enterprises from Rs. 5 lakh to Rs. 10 lakh; increasing the coverage of ongoing Integrated Infrastructure Development (IID) Scheme to progressivelycover all areas in the country; raising the family income eligibility limit from Rs. 24,000 to Rs. 40,000 per annum under Prime Minister`s Rozgar Yojana, etc. Other measures taken by the Government to strengthen the Sector include enhancement of working capital limit computed on the basis of a minimum of 20% of annual projected turnover from Rs. 4 crore to Rs. 5 crore; enhancement of limit of collateral free loans from Rs. 1 lakh to Rs. 5 lakh, revision in definition of sickness and norms for rehabilitation of sick units, launching of Laghu Udyami Credit Cards, etc.